

04/29/2024
602B
(R-2024-477)

RESOLUTION NUMBER R- 315506

DATE OF FINAL PASSAGE MAY 03 2024

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO APPROVING THE ASSIGNMENT,
ASSUMPTION, AND AMENDMENT OF LOAN
DOCUMENTS FOR THE AFFORDABLE HOUSING
PROJECT KNOWN AS AUBURN PARK APARTMENTS IN
THE MID CITY – CITY HEIGHTS COMMUNITY PLAN
AREA.

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA)
and Auburn Park Family Housing, LLC, a California limited liability company (Assignor),
entered into that certain Disposition and Development Agreement dated June 30, 2005 (DDA);
and

WHEREAS, under the DDA, the Former RDA provided a loan to Assignor (Loan) for
development and operation of an affordable housing project known as Auburn Park Apartments
(Project) located at 5085-5173 University Avenue, San Diego, California (Property); and

WHEREAS, as contemplated by the DDA, the Former RDA conveyed ownership of the
Property to Assignor in February 2006, and caused long-term affordability restrictions to be
recorded against the Property in that certain Grant Deed (Grant Deed); and

WHEREAS, upon the Former RDA's dissolution on February 1, 2012, the City of
San Diego, solely in its capacity as the designated successor agency to the Former RDA
(Successor Agency), became vested with all of the Former RDA's authority, rights, powers,
duties, and obligations under the California Community Redevelopment Law; and

WHEREAS, as of January 28, 2013, consistent with California Health and Safety Code
section 34176, the Successor Agency transferred the Property and all authority, rights, powers,
duties, and obligations related to the Property, including those under the DDA, Grant Deed, and

all related documents (collectively, City Loan Documents) to the City, acting in its capacity as the housing successor to the Former RDA; and

WHEREAS, Assignor desires to assign to Auburn Park II, L.P., a California limited partnership (Assignee), all of Assignor's right, title, and interest in the City Loan Documents, including new amendments described below, and Assignee agrees to accept the assignments and assume all obligations under the City Loan Documents, as amended; and

WHEREAS, in connection with the transfer of Assignor's right, title, and interest in the City Loan Documents to Assignee, Assignee will be recapitalizing the Project with proceeds of 4% Low Income Housing Tax Credit equity to pay the costs of acquiring and rehabilitating the Project; and

WHEREAS, the outstanding principal balance of the Loan is \$6,472,136; and

WHEREAS, as of December 31, 2023, the amount of unpaid, accrued interest on the Loan is \$3,359,621 (Outstanding Interest); and

WHEREAS, the City, Assignor, and Assignee desire to enter into an assignment and assumption agreement and amendments to the City Loan Documents (collectively, the Agreements and Amendments), a copy of which are included in the docket materials accompanying this Resolution; and

WHEREAS, the Agreements and Amendments allow for, among other things, the payment of the Outstanding Interest to the City and extension of the affordability restrictions on the Property and the Project; and

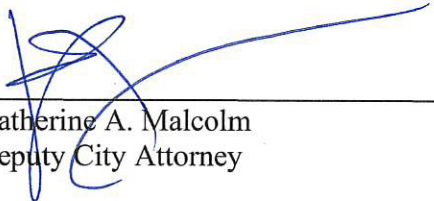
WHEREAS, the Office of the City Attorney has drafted this Resolution based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. The Council approves the Agreements and Amendments, including all attachments and exhibits to the Agreements and Amendments.
2. The Mayor or designee is authorized and directed, on behalf of the City, to sign and enter into the Agreements and Amendments, including all attachments and exhibits to the Agreements and Amendments requiring the City's signature, and take all other reasonable actions that are necessary or appropriate to perform the City's obligations under the Agreements and Amendments. A copy of the Agreements and Amendments, when fully executed, shall be placed on file with the City Clerk as Document No. RR- 315506.

APPROVED: MARA W. ELLIOTT, City Attorney

By



Katherine A. Malcolm
Deputy City Attorney

KAM:cc

4/3/2024

Or.Dept: Economic Dev't

Doc.No: 3611966

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at its meeting of APR 29 2024.

DIANA J.S. FUENTES, City Clerk

By Connie Patterson
Deputy City Clerk

Approved: 5/2/24
(date)

Todd Gloria
TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on APR 29 2024, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAY 03 2024.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY: TODD GLORIA
Mayor of The City of San Diego, California.

(Seal) DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

By Linda Irwin, Deputy
For Connie Patterson

Office of the City Clerk, San Diego, California

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